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1 A bill to be entitled

2 An act relating to charter schools; amending s. 1002.33,
3 F.S.; revising charter school purposes; modifying
4 provisions relating to duties of sponsors, the application
5 process, denial of an application, and review of appeals;
6 requiring the Department of Education to provide technical
7 assistance to charter school applicants; providing
8 procedures when a state of financial emergency exists;
9 revising provisions relating to charter agreement, term,
10 and renewal; revising nonrenewal and termination
11 provisions, including procedures for immediate
12 termination; revising provisions relating to the reversion
13 of funds; revising duties of a charter school governing
14 body relating to audits; requiring the department to
15 develop a uniform accountability report; providing
16 procedures with respect to charter schools with
17 deficiencies; requiring a school improvement plan to raise
18 student achievement; providing for probation and
19 corrective actions; revising provisions relating to
20 payment and reimbursement to a charter school by a school
21 district; authorizing the State Board of Education to
22 impose a fine on or withhold lottery funds from a school
23 district for certain violations; requiring conversion
24 charter schools to comply with certain facility
25 requirements under specific situations; authorizing
26 certain zoning and land use designations for certain
27 charter school facilities; revising exemption from
28 assessment of fees; providing for additional services to
29 charter schools and revising administrative fee

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requirements; requiring the department to develop a standard format for applications, charters, and charter renewals; requiring legislative review of charter schools in 2010; amending s. 218.39, F.S.; requiring the governing body of a charter school to be notified of certain deteriorating financial conditions; amending s. 218.50, F.S.; modifying a short title; amending s. 218.501, F.S.; including charter schools in the statement of purpose relating to financial management; amending s. 218.503, F.S.; providing for charter schools to be subject to provisions governing financial emergencies; providing procedures; amending s. 218.504, F.S.; providing for cessation of state action related to a state of financial emergency; amending s. 11.45, F.S.; conforming provisions; amending s. 166.271, F.S.; correcting cross-references; amending s. 1002.32, F.S.; providing that a charter lab school that elects to provide student transportation is eligible for funding for that purpose; amending s. 1003.05, F.S.; modifying the list of special academic programs for transitioning students from military families; amending s. 1012.74, F.S.; providing that educator professional liability insurance shall cover charter school personnel; amending s. 1013.62, F.S.; revising provisions relating to eligibility for and allocation of charter school capital outlay funding; revising purposes for which capital outlay funds may be used; providing effective dates.

Be It Enacted by the Legislature of the State of Florida:

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59
60 Section 1. Section 1002.33, Florida Statutes, is amended to
61 read:

62 1002.33 Charter schools.--

63 (1) AUTHORIZATION.--Charter schools shall be part of the
64 state's program of public education. All charter schools in
65 Florida are public schools. A charter school may be formed by
66 creating a new school or converting an existing public school to
67 charter status. A public school may not use the term charter in
68 its name unless it has been approved under this section.

69 (2) GUIDING PRINCIPLES; PURPOSE.--

70 (a) Charter schools in Florida shall be guided by the
71 following principles:

72 1. Meet high standards of student achievement while
73 providing parents flexibility to choose among diverse educational
74 opportunities within the state's public school system.

75 2. Promote enhanced academic success and financial
76 efficiency by aligning responsibility with accountability.

77 3. Provide parents with sufficient information on whether
78 their child is reading at grade level and whether the child gains
79 at least a year's worth of learning for every year spent in the
80 charter school.

81 (b) Charter schools shall fulfill the following purposes:

82 1. Improve student learning and academic achievement.

83 2. Increase learning opportunities for all students, with
84 special emphasis on low-performing students and reading.

85 ~~3. Create new professional opportunities for teachers,~~
86 ~~including ownership of the learning program at the school site.~~

87 3.4. Encourage the use of innovative learning methods.

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88 ~~5. Require the measurement of learning outcomes.~~

89 (c) Charter schools may fulfill the following purposes:

90 1. Create innovative measurement tools.

91 2. Provide rigorous competition within the public school
92 district to stimulate continual improvement in all public
93 schools.

94 3. Expand the capacity of the public school system.

95 4. Mitigate the educational impact created by the
96 development of new residential dwelling units.

97 5. Create new professional opportunities for teachers,
98 including ownership of the learning program at the school site.

99 6. Require the measurement of learning outcomes.

100 (3) APPLICATION FOR CHARTER STATUS.--

101 (a) An application for a new charter school may be made by
102 an individual, teachers, parents, a group of individuals, a
103 municipality, or a legal entity organized under the laws of this
104 state.

105 (b) An application for a conversion charter school shall be
106 made by the district school board, the principal, teachers,
107 parents, and/or the school advisory council at an existing public
108 school that has been in operation for at least 2 years prior to
109 the application to convert.~~7. including~~ A public school-within-a-
110 school that is designated as a school by the district school
111 board may also submit an application to convert to charter
112 status. An application submitted proposing to convert an existing
113 public school to a charter school shall demonstrate the support
114 of at least 50 percent of the teachers employed at the school and
115 50 percent of the parents voting whose children are enrolled at
116 the school, provided that a majority of the parents eligible to

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117 vote participate in the ballot process, according to rules
118 adopted by the State Board of Education. A district school board
119 denying an application for a conversion charter school shall
120 provide notice of denial to the applicants in writing within 10
121 ~~30~~ days after the meeting at which the district school board
122 denied the application. The notice must articulate in writing
123 ~~specify~~ the specific ~~exact~~ reasons for denial and must provide
124 documentation supporting those reasons. A private school,
125 parochial school, or home education program shall not be eligible
126 for charter school status.

127 (4) UNLAWFUL REPRISAL.--

128 (a) No district school board, or district school board
129 employee who has control over personnel actions, shall take
130 unlawful reprisal against another district school board employee
131 because that employee is either directly or indirectly involved
132 with an application to establish a charter school. As used in
133 this subsection, the term "unlawful reprisal" means an action
134 taken by a district school board or a school system employee
135 against an employee who is directly or indirectly involved in a
136 lawful application to establish a charter school, which occurs as
137 a direct result of that involvement, and which results in one or
138 more of the following: disciplinary or corrective action; adverse
139 transfer or reassignment, whether temporary or permanent;
140 suspension, demotion, or dismissal; an unfavorable performance
141 evaluation; a reduction in pay, benefits, or rewards; elimination
142 of the employee's position absent of a reduction in workforce as
143 a result of lack of moneys or work; or other adverse significant
144 changes in duties or responsibilities that are inconsistent with
145 the employee's salary or employment classification. The following

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146 procedures shall apply to an alleged unlawful reprisal that
147 occurs as a consequence of an employee's direct or indirect
148 involvement with an application to establish a charter school:

149 1. Within 60 days after the date upon which a reprisal
150 prohibited by this subsection is alleged to have occurred, an
151 employee may file a complaint with the Department of Education.

152 2. Within 3 working days after receiving a complaint under
153 this section, the Department of Education shall acknowledge
154 receipt of the complaint and provide copies of the complaint and
155 any other relevant preliminary information available to each of
156 the other parties named in the complaint, which parties shall
157 each acknowledge receipt of such copies to the complainant.

158 3. If the Department of Education determines that the
159 complaint demonstrates reasonable cause to suspect that an
160 unlawful reprisal has occurred, the Department of Education shall
161 conduct an investigation to produce a fact-finding report.

162 4. Within 90 days after receiving the complaint, the
163 Department of Education shall provide the district school
164 superintendent of the complainant's district and the complainant
165 with a fact-finding report that may include recommendations to
166 the parties or a proposed resolution of the complaint. The fact-
167 finding report shall be presumed admissible in any subsequent or
168 related administrative or judicial review.

169 5. If the Department of Education determines that
170 reasonable grounds exist to believe that an unlawful reprisal has
171 occurred, is occurring, or is to be taken, and is unable to
172 conciliate a complaint within 60 days after receipt of the fact-
173 finding report, the Department of Education shall terminate the
174 investigation. Upon termination of any investigation, the

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175 Department of Education shall notify the complainant and the
176 district school superintendent of the termination of the
177 investigation, providing a summary of relevant facts found during
178 the investigation and the reasons for terminating the
179 investigation. A written statement under this paragraph is
180 presumed admissible as evidence in any judicial or administrative
181 proceeding.

182 6. The Department of Education shall either contract with
183 the Division of Administrative Hearings under s. 120.65, or
184 otherwise provide for a complaint for which the Department of
185 Education determines reasonable grounds exist to believe that an
186 unlawful reprisal has occurred, is occurring, or is to be taken,
187 and is unable to conciliate, to be heard by a panel of impartial
188 persons. Upon hearing the complaint, the panel shall make
189 findings of fact and conclusions of law for a final decision by
190 the Department of Education.

191
192 It shall be an affirmative defense to any action brought pursuant
193 to this section that the adverse action was predicated upon
194 grounds other than, and would have been taken absent, the
195 employee's exercise of rights protected by this section.

196 (b) In any action brought under this section for which it
197 is determined reasonable grounds exist to believe that an
198 unlawful reprisal has occurred, is occurring, or is to be taken,
199 the relief shall include the following:

200 1. Reinstatement of the employee to the same position held
201 before the unlawful reprisal was commenced, or to an equivalent
202 position, or payment of reasonable front pay as alternative
203 relief.

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204 2. Reinstatement of the employee's full fringe benefits and
205 seniority rights, as appropriate.

206 3. Compensation, if appropriate, for lost wages, benefits,
207 or other lost remuneration caused by the unlawful reprisal.

208 4. Payment of reasonable costs, including attorney's fees,
209 to a substantially prevailing employee, or to the prevailing
210 employer if the employee filed a frivolous action in bad faith.

211 5. Issuance of an injunction, if appropriate, by a court of
212 competent jurisdiction.

213 6. Temporary reinstatement to the employee's former
214 position or to an equivalent position, pending the final outcome
215 of the complaint, if it is determined that the action was not
216 made in bad faith or for a wrongful purpose, and did not occur
217 after a district school board's initiation of a personnel action
218 against the employee that includes documentation of the
219 employee's violation of a disciplinary standard or performance
220 deficiency.

221 (5) SPONSOR; DUTIES.--

222 (a) Sponsoring entities.--

223 1. A district school board may sponsor a charter school in
224 the county over which the district school board has jurisdiction.

225 2. A state university may grant a charter to a lab school
226 created under s. 1002.32 and shall be considered to be the
227 school's sponsor. Such school shall be considered a charter lab
228 school.

229 (b) Sponsor duties.--

230 1. The sponsor shall monitor and review the charter school
231 in its progress toward the goals established in the charter.

232 2. The sponsor shall monitor the revenues and expenditures

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233 of the charter school.

234 3. The sponsor may approve a charter for a charter school
235 before the applicant has secured space, equipment, or personnel,
236 if the applicant indicates approval is necessary for it to raise
237 working funds ~~capital~~.

238 4. The sponsor's policies shall not apply to a charter
239 school unless mutually agreed to by both the sponsor and the
240 charter school.

241 5. The sponsor shall ensure that the charter is innovative
242 and consistent with the state education goals established by s.
243 1000.03(5).

244 6. The sponsor shall ensure that the charter school
245 participates in the state's education accountability system. If a
246 charter school falls short of performance measures included in
247 the approved charter, the sponsor shall report such shortcomings
248 to the Department of Education.

249 7. The sponsor shall not impose additional reporting
250 requirements on a charter school without providing reasonable and
251 specific justification in writing to the charter school.

252
253 A community college may work with the school district or school
254 districts in its designated service area to develop charter
255 schools that offer secondary education. These charter schools
256 must include an option for students to receive an associate
257 degree upon high school graduation. District school boards shall
258 cooperate with and assist the community college on the charter
259 application. Community college applications for charter schools
260 are not subject to the time deadlines outlined in subsection (6)
261 and may be approved by the district school board at any time

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262 during the year. Community colleges shall not report FTE for any
263 students who receive FTE funding through the Florida Education
264 Finance Program.

265 (6) APPLICATION PROCESS AND REVIEW.--Charter school
266 ~~Beginning September 1, 2003,~~ applications are subject to the
267 following requirements:

268 (a) A person or entity wishing to open a charter school
269 shall prepare an application that:

270 1. Demonstrates how the school will use the guiding
271 principles and meet the statutorily defined purpose of a charter
272 school.

273 2. Provides a detailed curriculum plan that illustrates how
274 students will be provided services to attain the Sunshine State
275 Standards.

276 3. Contains goals and objectives for improving student
277 learning and measuring that improvement. These goals and
278 objectives must indicate how much academic improvement students
279 are expected to show each year, how success will be evaluated,
280 and the specific results to be attained through instruction.

281 4. Describes the reading curriculum and differentiated
282 strategies that will be used for students reading at grade level
283 or higher and a separate curriculum and strategies for students
284 who are reading below grade level. A sponsor shall deny a charter
285 if the school does not propose a reading curriculum that is
286 consistent with effective teaching strategies that are grounded
287 in scientifically based reading research.

288 5. Contains an annual financial plan for each year
289 requested by the charter for operation of the school for up to 5
290 years. This plan must contain anticipated fund balances based on

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revenue projections, a spending plan based on projected revenues and expenses, and a description of controls that will safeguard finances and projected enrollment trends.

(b) A district school board shall receive and review all applications for a charter school. Beginning with the 2007-2008 school year, a district school board shall receive and consider charter school applications received on or before August ~~September~~ 1 of each calendar year for charter schools to be opened at the beginning of the school district's next school year, or to be opened at a time agreed to by the applicant and the district school board. A district school board may receive applications later than this date if it chooses. A sponsor may not charge an applicant for a charter any fee for the processing or consideration of an application, and a sponsor may not base its consideration or approval of an application upon the promise of future payment of any kind.

1. In order to facilitate an accurate budget projection process, a district school board shall be held harmless for FTE students who are not included in the FTE projection due to approval of charter school applications after the FTE projection deadline. In a further effort to facilitate an accurate budget projection, within 15 calendar days after receipt of a charter school application, a district school board or other sponsor shall report to the Department of Education the name of the applicant entity, the proposed charter school location, and its projected FTE.

2. In order to ensure fiscal responsibility, an application for a charter school shall include a full accounting of expected assets, a projection of expected sources and amounts of income,

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320 including income derived from projected student enrollments and
321 from community support, and an expense projection that includes
322 full accounting of the costs of operation, including start-up
323 costs.

324 3. A district school board shall by a majority vote approve
325 or deny an application no later than 60 calendar days after the
326 application is received, unless the district school board and the
327 applicant mutually agree in writing to temporarily postpone the
328 vote to a specific date, at which time the district school board
329 shall by a majority vote approve or deny the application. If the
330 district school board fails to act on the application, an
331 applicant may appeal to the State Board of Education as provided
332 in paragraph (c). If an application is denied, the district
333 school board shall, within 10 calendar days, articulate in
334 writing the specific reasons for ~~based upon good cause supporting~~
335 its denial of the charter application and shall provide the
336 letter of denial and supporting documentation to the applicant
337 and to the Department of Education supporting those reasons.

338 4. For budget projection purposes, the district school
339 board or other sponsor shall report to the Department of
340 Education the approval or denial of a charter application within
341 10 calendar days after such approval or denial. In the event of
342 approval, the report to the Department of Education shall include
343 the final projected FTE for the approved charter school.

344 5. Upon approval of a charter application, the initial
345 startup shall commence with the beginning of the public school
346 calendar for the district in which the charter is granted unless
347 the sponsor ~~district school board~~ allows a waiver of this
348 provision for good cause.

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(c) An applicant may appeal any denial of that applicant's application or failure to act on an application to the State Board of Education no later than 30 calendar days after receipt of the district school board's decision or failure to act and shall notify the district school board of its appeal. Any response of the district school board shall be submitted to the State Board of Education within 30 calendar days after notification of the appeal. Upon receipt of notification from the State Board of Education that a charter school applicant is filing an appeal, the Commissioner of Education shall convene a meeting of the Charter School Appeal Commission to study and make recommendations to the State Board of Education regarding its pending decision about the appeal. The commission shall forward its recommendation to the state board no later than 7 calendar days prior to the date on which the appeal is to be heard. The State Board of Education shall by majority vote accept or reject the decision of the district school board no later than 90 calendar days after an appeal is filed in accordance with State Board of Education rule. The Charter School Appeal Commission may reject an appeal submission for failure to comply with procedural rules governing the appeals process. The rejection shall describe the submission errors. The appellant may have up to 15 calendar days from notice of rejection to resubmit an appeal that meets requirements of State Board of Education rule. An application for appeal submitted subsequent to such rejection shall be considered timely if the original appeal was filed within 30 calendar days after receipt of notice of the specific reasons for the district school board's denial of the charter application. The State Board of Education shall remand the application to the district school

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board with its written decision that the district school board approve or deny the application. The district school board shall implement the decision of the State Board of Education. The decision of the State Board of Education is not subject to the provisions of the Administrative Procedure Act, chapter 120.

(d) The district school board shall act upon the decision of the State Board of Education within 30 calendar days after it is received. The State Board of Education's decision is a final action subject to judicial review in the district court of appeal.

(e)1. A Charter School Appeal Commission is established to assist the commissioner and the State Board of Education with a fair and impartial review of appeals by applicants whose charter applications have been denied, whose charter contracts have not been renewed, or whose charter contracts have been terminated by their sponsors, ~~or whose disputes over contract negotiations have not been resolved through mediation.~~

2. The Charter School Appeal Commission may receive copies of the appeal documents forwarded to the State Board of Education, review the documents, gather other applicable information regarding the appeal, and make a written recommendation to the commissioner. The recommendation must state whether the appeal should be upheld or denied and include the reasons for the recommendation being offered. The commissioner shall forward the recommendation to the State Board of Education no later than 7 calendar days prior to the date on which the appeal is to be heard. The state board must consider the commission's recommendation in making its decision, but is not bound by the recommendation. The decision of the Charter School

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407 Appeal Commission is not subject to the provisions of the
408 Administrative Procedure Act, chapter 120.

409 3. The commissioner shall appoint the members of the
410 Charter School Appeal Commission. Members shall serve without
411 compensation but may be reimbursed for travel and per diem
412 expenses in conjunction with their service. One-half of the
413 members must represent currently operating charter schools, and
414 one-half of the members must represent school districts. The
415 commissioner or a named designee shall chair the Charter School
416 Appeal Commission.

417 4. The chair shall convene meetings of the commission and
418 shall ensure that the written recommendations are completed and
419 forwarded in a timely manner. In cases where the commission
420 cannot reach a decision, the chair shall make the written
421 recommendation with justification, noting that the decision was
422 rendered by the chair.

423 5. Commission members shall thoroughly review the materials
424 presented to them from the appellant and the sponsor. The
425 commission may request information to clarify the documentation
426 presented to it. In the course of its review, the commission may
427 facilitate the postponement of an appeal in those cases where
428 additional time and communication may negate the need for a
429 formal appeal and both parties agree, in writing, to postpone the
430 appeal to the State Board of Education. A new date certain for
431 the appeal shall then be set based upon the rules and procedures
432 of the State Board of Education. Commission members shall provide
433 a written recommendation to the state board as to whether the
434 appeal should be upheld or denied. A fact-based justification for
435 the recommendation must be included. The chair must ensure that

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the written recommendation is submitted to the State Board of Education members no later than 7 calendar days prior to the date on which the appeal is to be heard. Both parties in the case shall also be provided a copy of the recommendation.

(f) The Department of Education shall offer or arrange for training and technical assistance to charter school applicants in developing business plans and estimating costs and income. This assistance shall address estimating startup costs, projecting enrollment, and identifying the types and amounts of state and federal financial assistance the charter school will be eligible to receive. The department ~~of Education~~ may provide other technical assistance to an applicant upon written request.

(g) In considering charter applications for a lab school, a state university shall consult with the district school board of the county in which the lab school is located. The decision of a state university may be appealed pursuant to the procedure established in this subsection.

(h) The terms and conditions for the operation of a charter school shall be set forth by the sponsor and the applicant in a written contractual agreement, called a charter. The sponsor shall not impose unreasonable rules or regulations that violate the intent of giving charter schools greater flexibility to meet educational goals. The applicant and sponsor shall have 3 ~~6~~ months in which to mutually agree to the provisions of the charter. The proposed charter shall be provided to the charter school at least 7 calendar days prior to the date on which the charter is scheduled to be heard by the sponsor. The Department of Education shall provide mediation services for any dispute regarding this section subsequent to the approval of a charter

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465 application and for any dispute relating to the approved charter,
466 except disputes regarding charter school application denials. If
467 the Commissioner of Education determines that the dispute cannot
468 be settled through mediation, the dispute may be appealed to an
469 administrative law judge appointed by the Division of
470 Administrative Hearings. The administrative law judge may rule on
471 issues of equitable treatment of the charter school as a public
472 school, whether proposed provisions of the charter violate the
473 intended flexibility granted charter schools by statute, or on
474 any other matter regarding this section except a charter school
475 application denial, a charter termination, or a charter
476 nonrenewal and shall award the prevailing party reasonable
477 attorney's fees and costs incurred to be paid by the losing
478 party. The costs of the administrative hearing shall be paid by
479 the party whom the administrative law judge rules against.

480 (7) CHARTER.--The major issues involving the operation of a
481 charter school shall be considered in advance and written into
482 the charter. The charter shall be signed by the governing body of
483 the charter school and the sponsor, following a public hearing to
484 ensure community input.

485 (a) The charter shall address, and criteria for approval of
486 the charter shall be based on:

487 1. The school's mission, the students to be served, and the
488 ages and grades to be included.

489 2. The focus of the curriculum, the instructional methods
490 to be used, any distinctive instructional techniques to be
491 employed, and identification and acquisition of appropriate
492 technologies needed to improve educational and administrative
493 performance which include a means for promoting safe, ethical,

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494 and appropriate uses of technology which comply with legal and
495 professional standards. The charter shall ensure that reading is
496 a primary focus of the curriculum and that resources are provided
497 to identify and provide specialized instruction for students who
498 are reading below grade level. The curriculum and instructional
499 strategies for reading must be consistent with the Sunshine State
500 Standards and grounded in scientifically based reading research.

501 3. The current incoming baseline standard of student
502 academic achievement, the outcomes to be achieved, and the method
503 of measurement that will be used. The criteria listed in this
504 subparagraph shall include a detailed description for each of the
505 following:

506 a. How the baseline student academic achievement levels and
507 prior rates of academic progress will be established.

508 b. How these baseline rates will be compared to rates of
509 academic progress achieved by these same students while attending
510 the charter school.

511 c. To the extent possible, how these rates of progress will
512 be evaluated and compared with rates of progress of other closely
513 comparable student populations.

514
515 The district school board is required to provide academic student
516 performance data to charter schools for each of their students
517 coming from the district school system, as well as rates of
518 academic progress of comparable student populations in the
519 district school system.

520 4. The methods used to identify the educational strengths
521 and needs of students and how well educational goals and
522 performance standards are met by students attending the charter

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523 school. Included in the methods is a means for the charter school
524 to ensure accountability to its constituents by analyzing student
525 performance data and by evaluating the effectiveness and
526 efficiency of its major educational programs. Students in charter
527 schools shall, at a minimum, participate in the statewide
528 assessment program created under s. 1008.22.

529 5. In secondary charter schools, a method for determining
530 that a student has satisfied the requirements for graduation in
531 s. 1003.43.

532 6. A method for resolving conflicts between the governing
533 body of the charter school and the sponsor.

534 7. The admissions procedures and dismissal procedures,
535 including the school's code of student conduct.

536 8. The ways by which the school will achieve a
537 racial/ethnic balance reflective of the community it serves or
538 within the racial/ethnic range of other public schools in the
539 same school district.

540 9. The financial and administrative management of the
541 school, including a reasonable demonstration of the professional
542 experience or competence of those individuals or organizations
543 applying to operate the charter school or those hired or retained
544 to perform such professional services and the description of
545 clearly delineated responsibilities and the policies and
546 practices needed to effectively manage the charter school. A
547 description of internal audit procedures and establishment of
548 controls to ensure that financial resources are properly managed
549 must be included. Both public sector and private sector
550 professional experience shall be equally valid in such a
551 consideration.

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552 10. The asset and liability projections required in the
553 application which are incorporated into the charter and which
554 shall be compared with information provided in the annual report
555 of the charter school. The charter shall ensure that, if a
556 charter school internal audit or annual financial audit reveals a
557 state of financial emergency as defined in s. 218.503 or deficit
558 financial position, the auditors are required to notify the
559 charter school governing board, the sponsor, and the Department
560 of Education. The internal auditor shall report such findings in
561 the form of an exit interview to the principal or the principal
562 administrator of the charter school and the chair of the
563 governing board within 7 working days after finding the state of
564 financial emergency or deficit position. A final report shall be
565 provided to the entire governing board, the sponsor, and the
566 Department of Education within 14 working days after the exit
567 interview. When a charter school is in a state of financial
568 emergency, the charter school shall file a detailed financial
569 recovery plan with the sponsor. The department shall establish
570 guidelines, with involvement from both sponsors and charter
571 schools, for developing such plans.

572 11. A description of procedures that identify various risks
573 and provide for a comprehensive approach to reduce the impact of
574 losses; plans to ensure the safety and security of students and
575 staff; plans to identify, minimize, and protect others from
576 violent or disruptive student behavior; and the manner in which
577 the school will be insured, including whether or not the school
578 will be required to have liability insurance, and, if so, the
579 terms and conditions thereof and the amounts of coverage.

580 12. The term of the charter which shall provide for

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581 cancellation of the charter if insufficient progress has been
582 made in attaining the student achievement objectives of the
583 charter and if it is not likely that such objectives can be
584 achieved before expiration of the charter. The initial term of a
585 charter shall be for ~~3, 4, or~~ 5 years. In order to facilitate
586 access to long-term financial resources for charter school
587 construction, charter schools that are operated by a municipality
588 or other public entity as provided by law are eligible for up to
589 a 15-year charter, subject to approval by the district school
590 board. A charter lab school is eligible for a charter for a term
591 of up to 15 years. In addition, to facilitate access to long-term
592 financial resources for charter school construction, charter
593 schools that are operated by a private, not-for-profit, s.
594 501(c)(3) status corporation are eligible for up to a 15-year ~~10-~~
595 ~~year~~ charter, subject to approval by the district school board.
596 Such long-term charters remain subject to annual review and may
597 be terminated during the term of the charter, but only ~~for~~
598 ~~specific good cause~~ according to the provisions set forth in
599 subsection (8).

600 13. The facilities to be used and their location.

601 14. The qualifications to be required of the teachers and
602 the potential strategies used to recruit, hire, train, and retain
603 qualified staff to achieve best value.

604 15. The governance structure of the school, including the
605 status of the charter school as a public or private employer as
606 required in paragraph (12)(i).

607 16. A timetable for implementing the charter which
608 addresses the implementation of each element thereof and the date
609 by which the charter shall be awarded in order to meet this

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timetable.

17. In the case of an existing public school being converted to charter status, alternative arrangements for current students who choose not to attend the charter school and for current teachers who choose not to teach in the charter school after conversion in accordance with the existing collective bargaining agreement or district school board rule in the absence of a collective bargaining agreement. However, alternative arrangements shall not be required for current teachers who choose not to teach in a charter lab school, except as authorized by the employment policies of the state university which grants the charter to the lab school.

(b)1. A charter may be renewed ~~every 5 school years,~~ provided that a program review demonstrates that the criteria in paragraph (a) have been successfully accomplished and that none of the grounds for nonrenewal established by paragraph (8)(a) has been documented. In order to facilitate long-term financing for charter school construction, charter schools operating for a minimum of 2 years and demonstrating exemplary academic programming and fiscal management are eligible for a 15-year charter renewal. Such long-term charter is subject to annual review and may be terminated during the term of the charter.

2. The 15-year charter renewal that may be granted pursuant to subparagraph 1. shall be granted to a charter school that has received a school grade of "A" or "B" pursuant to s. 1008.34 in 3 of the past 4 years and is not in a state of financial emergency or deficit position as defined by this section. Such long-term charter is subject to annual review and may be terminated during the term of the charter pursuant to subsection (8).

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639 (c) A charter may be modified during its initial term or
640 any renewal term upon the recommendation of the sponsor or the
641 charter school governing board and the approval of both parties
642 to the agreement.

643 (8) CAUSES FOR NONRENEWAL OR TERMINATION OF CHARTER.--

644 (a) ~~At the end of the term of a charter,~~ The sponsor may
645 choose not to renew or may terminate the charter for any of the
646 following grounds:

647 1. Failure to participate in the state's education
648 accountability system created in s. 1008.31, as required in this
649 section, or failure to meet the requirements for student
650 performance stated in the charter.

651 2. Failure to meet generally accepted standards of fiscal
652 management.

653 3. Violation of law.

654 4. Determination by the sponsor that the health, safety, or
655 welfare of the students is threatened ~~Other good cause shown.~~

656 ~~(b) During the term of a charter, the sponsor may terminate~~
657 ~~the charter for any of the grounds listed in paragraph (a).~~

658 (b)(e) At least 90 days prior to renewing or terminating a
659 charter, the sponsor shall notify the governing body of the
660 school of the proposed action in writing. The notice shall state
661 in reasonable detail the grounds for the proposed action and
662 stipulate that the school's governing body may, within 14
663 calendar days after receiving the notice, request an informal
664 hearing before the sponsor. The sponsor shall conduct the
665 informal hearing within 30 calendar days after receiving a
666 written request. ~~The charter school's governing body may, within~~
667 ~~14 calendar days after receiving the sponsor's decision to~~

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~~terminate or refuse to renew the charter, appeal the decision pursuant to the procedure established in subsection (6).~~

(c) If a charter is not renewed or is terminated pursuant to paragraph (b), the sponsor shall, within 10 calendar days, articulate in writing the specific reasons for its nonrenewal or termination of the charter and must provide the letter of nonrenewal or termination and documentation supporting the reasons to the charter school governing body, the charter school principal, and the Department of Education. The charter school's governing body may, within 30 calendar days after receiving the sponsor's final written decision to refuse to renew the charter or terminate, appeal the decision pursuant to the procedure established in subsection (6).

(d) A charter may be terminated immediately if the sponsor determines that ~~good cause has been shown or~~ if the health, safety, or welfare of the students is threatened. The sponsor shall notify in writing the charter school's governing board, the charter school principal, and the department if a charter is immediately terminated. The sponsor shall clearly identify the specific issues that resulted in the immediate termination and provide evidence of prior notification of issues resulting in the immediate termination when appropriate. The school district in which the charter school is located shall assume operation of the school under these circumstances. The charter school's governing board may, within 30 ~~14~~ days after receiving the sponsor's decision to terminate the charter, appeal the decision pursuant to the procedure established in subsection (6).

(e) When a charter is not renewed or is terminated, the school shall be dissolved under the provisions of law under which

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the school was organized, and any unencumbered public funds, except for capital outlay funds and federal charter school program grant funds, from the charter school shall revert to the sponsor ~~district school board~~. Capital outlay funds provided pursuant to s. 1013.62 and federal charter school program grant funds that are unencumbered shall revert to the department to be redistributed among eligible charter schools. In the event a charter school is dissolved or is otherwise terminated, all district school board property and improvements, furnishings, and equipment purchased with public funds shall automatically revert to full ownership by the district school board, subject to complete satisfaction of any lawful liens or encumbrances. Any unencumbered public funds from the charter school, district school board property and improvements, furnishings, and equipment purchased with public funds, or financial or other records pertaining to the charter school, in the possession of any person, entity, or holding company, other than the charter school, shall be held in trust upon the district school board's request, until any appeal status is resolved.

(f) If a charter is not renewed or is terminated, the charter school is responsible for all debts of the charter school. The district may not assume the debt from any contract for services made between the governing body of the school and a third party, except for a debt that is previously detailed and agreed upon in writing by both the district and the governing body of the school and that may not reasonably be assumed to have been satisfied by the district.

(g) If a charter is not renewed or is terminated, a student who attended the school may apply to, and shall be enrolled in,

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another public school. Normal application deadlines shall be disregarded under such circumstances.

(9) CHARTER SCHOOL REQUIREMENTS.--

(a) A charter school shall be nonsectarian in its programs, admission policies, employment practices, and operations.

(b) A charter school shall admit students as provided in subsection (10).

(c) A charter school shall be accountable to its sponsor for performance as provided in subsection (7).

(d) A charter school shall not charge tuition or registration fees, except those fees normally charged by other public schools. However, a charter lab school may charge a student activity and service fee as authorized by s. 1002.32(5).

(e) A charter school shall meet all applicable state and local health, safety, and civil rights requirements.

(f) A charter school shall not violate the antidiscrimination provisions of s. 1000.05.

(g) A charter school shall provide for an annual financial audit in accordance with s. 218.39. Financial audits that yield a state of financial emergency as defined in s. 218.503 and are conducted by a certified public accountant or auditor in accordance with s. 218.39 shall be provided to the governing board of the charter school within 7 working days after finding that a state of financial emergency exists. When a charter school is found to be in a state of financial emergency by a certified public accountant or auditor, the charter school must file a detailed financial recovery plan with the sponsor within 30 days after receipt of the audit.

(h) No organization shall hold more than 15 charters

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755 statewide.

756 (i) In order to provide financial information that is
757 comparable to that reported for other public schools, charter
758 schools are to maintain all financial records which constitute
759 their accounting system:

760 1. In accordance with the accounts and codes prescribed in
761 the most recent issuance of the publication titled "Financial and
762 Program Cost Accounting and Reporting for Florida Schools"; or

763 2. At the discretion of the charter school governing board,
764 a charter school may elect to follow generally accepted
765 accounting standards for not-for-profit organizations, but must
766 reformat this information for reporting according to this
767 paragraph.

768
769 Charter schools ~~are to~~ provide annual financial report and
770 program cost report information in the state-required formats for
771 inclusion in district reporting in compliance with s. 1011.60(1).
772 Charter schools that are operated by a municipality or are a
773 component unit of a parent nonprofit organization may use the
774 accounting system of the municipality or the parent but must
775 reformat this information for reporting according to this
776 paragraph.

777 (j) The governing board of the charter school shall
778 annually adopt and maintain an operating budget.

779 (k) The governing body of the charter school shall exercise
780 continuing oversight over charter school operations.

781 (l) The governing body of the charter school shall be
782 responsible for:

783 1. Ensuring that the charter school has retained the

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784 services of a certified public accountant or auditor for the
785 annual financial audit, pursuant to paragraph (g), who shall
786 submit the report to the governing body.

787 2. Reviewing and approving the audit report, including
788 audit findings and recommendations for the financial recovery
789 plan.

790 3. Monitoring a financial recovery plan in order to ensure
791 compliance.

792 (m)-(l) The governing body of the charter school shall
793 report its progress annually to its sponsor, which shall forward
794 the report to the Commissioner of Education at the same time as
795 other annual school accountability reports. The Department of
796 Education shall develop a uniform, on-line annual accountability
797 report to be completed by charter schools. This report shall be
798 easy to utilize and contain demographic information, student
799 performance data, and financial accountability information. A
800 charter school shall not be required to provide information and
801 data that is duplicative and already in the possession of the
802 department. The Department of Education shall include in its
803 compilation a notation if a school failed to file its report by
804 the deadline established by the department. The report shall
805 include at least the following components:

806 1. Student achievement performance data, including the
807 information required for the annual school report and the
808 education accountability system governed by ss. 1008.31 and
809 1008.345. Charter schools are subject to the same accountability
810 requirements as other public schools, including reports of
811 student achievement information that links baseline student data
812 to the school's performance projections identified in the

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813 charter. The charter school shall identify reasons for any
814 difference between projected and actual student performance.

815 2. Financial status of the charter school which must
816 include revenues and expenditures at a level of detail that
817 allows for analysis of the ability to meet financial obligations
818 and timely repayment of debt.

819 3. Documentation of the facilities in current use and any
820 planned facilities for use by the charter school for instruction
821 of students, administrative functions, or investment purposes.

822 4. Descriptive information about the charter school's
823 personnel, including salary and benefit levels of charter school
824 employees, the proportion of instructional personnel who hold
825 professional or temporary certificates, and the proportion of
826 instructional personnel teaching in-field or out-of-field.

827 (n)~~(m)~~ A charter school shall not levy taxes or issue bonds
828 secured by tax revenues.

829 (o)~~(n)~~ A charter school shall provide instruction for at
830 least the number of days required by law for other public
831 schools, and may provide instruction for additional days.

832 (p) The director and a representative of the governing body
833 of a charter school that has received a school grade of "D" under
834 s. 1008.34(2) shall appear before the sponsor or the sponsor's
835 staff at least once a year to present information concerning each
836 contract component having noted deficiencies. The sponsor shall
837 communicate at the meeting, and in writing to the director, the
838 services provided to the school to help the school address its
839 deficiencies.

840 (q) Upon notification that a charter school receives a
841 school grade of "D" for 2 consecutive years or a grade of "F"

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842 under s. 1008.34(2), the charter school sponsor or the sponsor's
843 staff shall require the director and a representative of the
844 governing body to submit a school improvement plan to raise
845 student achievement for approval by the sponsor and to implement
846 the plan. The sponsor has the authority to approve a school
847 improvement plan that the charter school will implement in the
848 following school year. The Department of Education shall offer
849 technical assistance and training to the charter school and its
850 governing body and establish guidelines for developing,
851 submitting, and approving such plans.

852 1. If the charter school fails to improve its student
853 performance from the year immediately prior to the implementation
854 of the school improvement plan, the sponsor shall place the
855 charter school on probation and shall require the charter school
856 governing body to take one of the following corrective actions:

857 a. Contract for the educational services of the charter
858 school;

859 b. Reorganize the school at the end of the school year under
860 a new director or principal who is authorized to hire new staff
861 and implement a plan that addresses the causes of inadequate
862 progress; or

863 c. Reconstitute the charter school.

864 2. A charter school that is placed on probation shall
865 continue the corrective actions required under subparagraph 1.
866 until the charter school improves its student performance from
867 the year prior to the implementation of the school improvement
868 plan.

869 3. Notwithstanding any provision of this paragraph, the
870 sponsor may terminate the charter at any time pursuant to the

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provisions of subsection (8).

(r) The director and a representative of the governing body of a graded charter school that has submitted a school improvement plan or has been placed on probation under paragraph (q) shall appear before the sponsor or the sponsor's staff at least once a year to present information regarding the corrective strategies that are being implemented by the school pursuant to the school improvement plan. The sponsor shall communicate at the meeting, and in writing to the director, the services provided to the school to help the school address its deficiencies.

(10) ELIGIBLE STUDENTS.--

(a) A charter school shall be open to any student covered in an interdistrict agreement or residing in the school district in which the charter school is located; however, in the case of a charter lab school, the charter lab school shall be open to any student eligible to attend the lab school as provided in s. 1002.32 or who resides in the school district in which the charter lab school is located. Any eligible student shall be allowed interdistrict transfer to attend a charter school when based on good cause.

(b) The charter school shall enroll an eligible student who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In such case, all applicants shall have an equal chance of being admitted through a random selection process.

(c) When a public school converts to charter status, enrollment preference shall be given to students who would have otherwise attended that public school.

(d) A charter school may give enrollment preference to the

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following student populations:

1. Students who are siblings of a student enrolled in the charter school.

2. Students who are the children of a member of the governing board of the charter school.

3. Students who are the children of an employee of the charter school.

(e) A charter school may limit the enrollment process only to target the following student populations:

1. Students within specific age groups or grade levels.

2. Students considered at risk of dropping out of school or academic failure. Such students shall include exceptional education students.

3. Students enrolling in a charter school-in-the-workplace or charter school-in-a-municipality established pursuant to subsection (15).

4. Students residing within a reasonable distance of the charter school, as described in paragraph (20)(c). Such students shall be subject to a random lottery and to the racial/ethnic balance provisions described in subparagraph (7)(a)8. or any federal provisions that require a school to achieve a racial/ethnic balance reflective of the community it serves or within the racial/ethnic range of other public schools in the same school district.

5. Students who meet reasonable academic, artistic, or other eligibility standards established by the charter school and included in the charter school application and charter or, in the case of existing charter schools, standards that are consistent with the school's mission and purpose. Such standards shall be in

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929 accordance with current state law and practice in public schools
930 and may not discriminate against otherwise qualified individuals.

931 6. Students articulating from one charter school to another
932 pursuant to an articulation agreement between the charter schools
933 that has been approved by the sponsor.

934 (f) Students with handicapping conditions and students
935 served in English for Speakers of Other Languages programs shall
936 have an equal opportunity of being selected for enrollment in a
937 charter school.

938 (g) A student may withdraw from a charter school at any
939 time and enroll in another public school as determined by
940 district school board rule.

941 (h) The capacity of the charter school shall be determined
942 annually by the governing board, in conjunction with the sponsor,
943 of the charter school in consideration of the factors identified
944 in this subsection.

945 (11) PARTICIPATION IN INTERSCHOLASTIC EXTRACURRICULAR
946 ACTIVITIES.--A charter school student is eligible to participate
947 in an interscholastic extracurricular activity at the public
948 school to which the student would be otherwise assigned to attend
949 pursuant to s. 1006.15(3)(d).

950 (12) EMPLOYEES OF CHARTER SCHOOLS.--

951 (a) A charter school shall select its own employees. A
952 charter school may contract with its sponsor for the services of
953 personnel employed by the sponsor.

954 (b) Charter school employees shall have the option to
955 bargain collectively. Employees may collectively bargain as a
956 separate unit or as part of the existing district collective
957 bargaining unit as determined by the structure of the charter

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958 school.

959 (c) The employees of a conversion charter school shall
960 remain public employees for all purposes, unless such employees
961 choose not to do so.

962 (d) The teachers at a charter school may choose to be part
963 of a professional group that subcontracts with the charter school
964 to operate the instructional program under the auspices of a
965 partnership or cooperative that they collectively own. Under this
966 arrangement, the teachers would not be public employees.

967 (e) Employees of a school district may take leave to accept
968 employment in a charter school upon the approval of the district
969 school board. While employed by the charter school and on leave
970 that is approved by the district school board, the employee may
971 retain seniority accrued in that school district and may continue
972 to be covered by the benefit programs of that school district, if
973 the charter school and the district school board agree to this
974 arrangement and its financing. School districts shall not require
975 resignations of teachers desiring to teach in a charter school.
976 This paragraph shall not prohibit a district school board from
977 approving alternative leave arrangements consistent with chapter
978 1012.

979 (f) Teachers employed by or under contract to a charter
980 school shall be certified as required by chapter 1012. A charter
981 school governing board may employ or contract with skilled
982 selected noncertified personnel to provide instructional services
983 or to assist instructional staff members as education
984 paraprofessionals in the same manner as defined in chapter 1012,
985 and as provided by State Board of Education rule for charter
986 school governing boards. A charter school may not knowingly

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employ an individual to provide instructional services or to serve as an education paraprofessional if the individual's certification or licensure as an educator is suspended or revoked by this or any other state. A charter school may not knowingly employ an individual who has resigned from a school district in lieu of disciplinary action with respect to child welfare or safety, or who has been dismissed for just cause by any school district with respect to child welfare or safety. The qualifications of teachers shall be disclosed to parents.

(g) A charter school shall employ or contract with employees who have undergone background screening as provided in s. 1012.32. Members of the governing board of the charter school shall also undergo background screening in a manner similar to that provided in s. 1012.32.

(h) For the purposes of tort liability, the governing body and employees of a charter school shall be governed by s. 768.28.

(i) A charter school shall organize as, or be operated by, a nonprofit organization. A charter school may be operated by a municipality or other public entity as provided for by law. As such, the charter school may be either a private or a public employer. As a public employer, a charter school may participate in the Florida Retirement System upon application and approval as a "covered group" under s. 121.021(34). If a charter school participates in the Florida Retirement System, the charter school employees shall be compulsory members of the Florida Retirement System. As either a private or a public employer, a charter school may contract for services with an individual or group of individuals who are organized as a partnership or a cooperative. Individuals or groups of individuals who contract their services

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to the charter school are not public employees.

(13) CHARTER SCHOOL COOPERATIVES.--Charter schools may enter into cooperative agreements to form charter school cooperative organizations that may provide the following services: charter school planning and development, direct instructional services, and contracts with charter school governing boards to provide personnel administrative services, payroll services, human resource management, evaluation and assessment services, teacher preparation, and professional development.

(14) CHARTER SCHOOL FINANCIAL ARRANGEMENTS; INDEMNIFICATION OF THE STATE AND SCHOOL DISTRICT; CREDIT OR TAXING POWER NOT TO BE PLEDGED.--Any arrangement entered into to borrow or otherwise secure funds for a charter school authorized in this section from a source other than the state or a school district shall indemnify the state and the school district from any and all liability, including, but not limited to, financial responsibility for the payment of the principal or interest. Any loans, bonds, or other financial agreements are not obligations of the state or the school district but are obligations of the charter school authority and are payable solely from the sources of funds pledged by such agreement. The credit or taxing power of the state or the school district shall not be pledged and no debts shall be payable out of any moneys except those of the legal entity in possession of a valid charter approved by a district school board pursuant to this section.

(15) CHARTER SCHOOLS-IN-THE-WORKPLACE; CHARTER SCHOOLS-IN-A-MUNICIPALITY.--

(a) In order to increase business partnerships in

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1045 education, to reduce school and classroom overcrowding throughout
1046 the state, and to offset the high costs for educational
1047 facilities construction, the Legislature intends to encourage the
1048 formation of business partnership schools or satellite learning
1049 centers and municipal-operated schools through charter school
1050 status.

1051 (b) A charter school-in-the-workplace may be established
1052 when a business partner provides the school facility to be used;
1053 enrolls students based upon a random lottery that involves all of
1054 the children of employees of that business or corporation who are
1055 seeking enrollment, as provided for in subsection (10); and
1056 enrolls students according to the racial/ethnic balance
1057 provisions described in subparagraph (7)(a)8. Any portion of a
1058 facility used for a public charter school shall be exempt from ad
1059 valorem taxes, as provided for in s. 1013.54, for the duration of
1060 its use as a public school.

1061 (c) A charter school-in-a-municipality designation may be
1062 granted to a municipality that possesses a charter; enrolls
1063 students based upon a random lottery that involves all of the
1064 children of the residents of that municipality who are seeking
1065 enrollment, as provided for in subsection (10); and enrolls
1066 students according to the racial/ethnic balance provisions
1067 described in subparagraph (7)(a)8. When a municipality has
1068 submitted charter applications for the establishment of a charter
1069 school feeder pattern, consisting of elementary, middle, and
1070 senior high schools, and each individual charter application is
1071 approved by the district school board, such schools shall then be
1072 designated as one charter school for all purposes listed pursuant
1073 to this section. Any portion of the land and facility used for a

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public charter school shall be exempt from ad valorem taxes, as provided for in s. 1013.54, for the duration of its use as a public school.

(d) As used in this subsection, the terms "business partner" or "municipality" may include more than one business or municipality to form a charter school-in-the-workplace or charter school-in-a-municipality.

(16) EXEMPTION FROM STATUTES.--

(a) A charter school shall operate in accordance with its charter and shall be exempt from all statutes in chapters 1000-1013. However, a charter school shall be in compliance with the following statutes in chapters 1000-1013:

1. Those statutes specifically applying to charter schools, including this section.

2. Those statutes pertaining to the student assessment program and school grading system.

3. Those statutes pertaining to the provision of services to students with disabilities.

4. Those statutes pertaining to civil rights, including s. 1000.05, relating to discrimination.

5. Those statutes pertaining to student health, safety, and welfare.

(b) Additionally, a charter school shall be in compliance with the following statutes:

1. Section 286.011, relating to public meetings and records, public inspection, and criminal and civil penalties.

2. Chapter 119, relating to public records.

(17) FUNDING.--Students enrolled in a charter school, regardless of the sponsorship, shall be funded as if they are in

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1103 a basic program or a special program, the same as students
1104 enrolled in other public schools in the school district. Funding
1105 for a charter lab school shall be as provided in s. 1002.32.

1106 (a) Each charter school shall report its student enrollment
1107 to the district school board as required in s. 1011.62, and in
1108 accordance with the definitions in s. 1011.61. The district
1109 school board shall include each charter school's enrollment in
1110 the district's report of student enrollment. All charter schools
1111 submitting student record information required by the Department
1112 of Education shall comply with the Department of Education's
1113 guidelines for electronic data formats for such data, and all
1114 districts shall accept electronic data that complies with the
1115 Department of Education's electronic format.

1116 (b) The basis for the agreement for funding students
1117 enrolled in a charter school shall be the sum of the school
1118 district's operating funds from the Florida Education Finance
1119 Program as provided in s. 1011.62 and the General Appropriations
1120 Act, including gross state and local funds, discretionary lottery
1121 funds, and funds from the school district's current operating
1122 discretionary millage levy; divided by total funded weighted
1123 full-time equivalent students in the school district; multiplied
1124 by the weighted full-time equivalent students for the charter
1125 school. Charter schools whose students or programs meet the
1126 eligibility criteria in law shall be entitled to their
1127 proportionate share of categorical program funds included in the
1128 total funds available in the Florida Education Finance Program by
1129 the Legislature, including transportation. Total funding for each
1130 charter school shall be recalculated during the year to reflect
1131 the revised calculations under the Florida Education Finance

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1132 Program by the state and the actual weighted full-time equivalent
1133 students reported by the charter school during the full-time
1134 equivalent student survey periods designated by the Commissioner
1135 of Education.

1136 (c) If the district school board is providing programs or
1137 services to students funded by federal funds, any eligible
1138 students enrolled in charter schools in the school district shall
1139 be provided federal funds for the same level of service provided
1140 students in the schools operated by the district school board.
1141 Pursuant to provisions of 20 U.S.C. 8061 s. 10306, all charter
1142 schools shall receive all federal funding for which the school is
1143 otherwise eligible, including Title I funding, not later than 5
1144 months after the charter school first opens and within 5 months
1145 after any subsequent expansion of enrollment.

1146 (d) District school boards shall make ~~every effort to~~
1147 ~~ensure that charter schools receive~~ timely and efficient payment
1148 and reimbursement to charter schools, including processing
1149 paperwork required to access special state and federal funding
1150 for which they may be eligible. The district school board may
1151 distribute funds to a charter school for up to 3 months based on
1152 the projected full-time equivalent student membership of the
1153 charter school. Thereafter, the results of full-time equivalent
1154 student membership surveys shall be used in adjusting the amount
1155 of funds distributed monthly to the charter school for the
1156 remainder of the fiscal year. The payment shall be issued no
1157 later than 10 working days after the district school board
1158 receives a distribution of state or federal funds. If a warrant
1159 for payment is not issued within 10 ~~30~~ working days after receipt
1160 of funding by the district school board, the school district

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1161 shall pay to the charter school, in addition to the amount of the
1162 scheduled disbursement, interest at a rate of 5 ± percent per
1163 month calculated on a daily basis on the unpaid balance from the
1164 expiration of the 10 working days ~~30-day period~~ until such time
1165 as the warrant is issued. The Commissioner of Education is
1166 authorized to withhold funds from school districts that fail to
1167 make timely payments and reimbursements.

1168 (e) The State Board of Education shall have authority to
1169 impose a fine on or withhold lottery funds from a school district
1170 for any violation of the procedural requirements for charter
1171 school application, termination, or nonrenewal appeals regardless
1172 of whether the violation affects the fairness of the appeal
1173 process or the correctness of the action taken by the school
1174 district. Prior to the imposition of a fine or the withholding of
1175 lottery funds under this paragraph, the State Board of Education
1176 shall provide the school district with notice of the amount of
1177 the proposed fine or lottery funds to be withheld and an
1178 opportunity to be heard at a subsequent meeting of the State
1179 Board of Education. The funds collected for fines under this
1180 paragraph shall be taken from the school district's
1181 administrative fee under paragraph (20) (a) and disbursed to the
1182 prevailing charter school appellant under this section or, if the
1183 charter school appellant's appeal is denied, in equal amounts to
1184 each of the charter schools within the school district. The
1185 imposition of a fine under this paragraph shall not exceed
1186 \$10,000 and is a final action subject to judicial review in the
1187 district court of appeals.

1188 (18) FACILITIES.--

1189 (a) A startup charter school shall utilize facilities which

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1190 comply with the Florida Building Code pursuant to chapter 553
1191 except for the State Requirements for Educational Facilities.
1192 Conversion charter schools shall utilize facilities that comply
1193 with the State Requirements for Educational Facilities provided
1194 that the school district and the charter school have entered into
1195 a mutual management plan with sufficient funding from the school
1196 district to comply with the State Requirements for Educational
1197 Facilities. Charter schools, with the exception of conversion
1198 charter schools, are not required to comply, but may choose to
1199 comply, with the State Requirements for Educational Facilities of
1200 the Florida Building Code adopted pursuant to s. 1013.37. The
1201 local governing authority shall not adopt or impose local
1202 building requirements or restrictions that are more stringent
1203 than those found in the Florida Building Code. The agency having
1204 jurisdiction for inspection of a facility and issuance of a
1205 certificate of occupancy shall be the local municipality or, if
1206 in an unincorporated area, the county governing authority.

1207 (b) A charter school shall utilize facilities that comply
1208 with the Florida Fire Prevention Code, pursuant to s. 633.025, as
1209 adopted by the authority in whose jurisdiction the facility is
1210 located as provided in paragraph (a).

1211 (c) Any facility, or portion thereof, used to house a
1212 charter school whose charter has been approved by the sponsor and
1213 the governing board, pursuant to subsection (7), shall be exempt
1214 from ad valorem taxes pursuant to s. 196.1983. Library, community
1215 service, museum, performing arts, theatre, cinema, church,
1216 community college, college, and university facilities may provide
1217 space to charter schools within their facilities under their
1218 preexisting zoning and land use designations.

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1219 (d) Charter school facilities are exempt from assessments
1220 of fees for building permits, except as provided in s. 553.80,
1221 fees ~~and~~ for building and occupational licenses, and ~~from~~
1222 ~~assessments of~~ impact fees or service availability fees.

1223 (e) If a district school board facility or property is
1224 available because it is surplus, marked for disposal, or
1225 otherwise unused, it shall be provided for a charter school's use
1226 on the same basis as it is made available to other public schools
1227 in the district. A charter school receiving property from the
1228 school district may not sell or dispose of such property without
1229 written permission of the school district. Similarly, for an
1230 existing public school converting to charter status, no rental or
1231 leasing fee for the existing facility or for the property
1232 normally inventoried to the conversion school may be charged by
1233 the district school board to the parents and teachers organizing
1234 the charter school. The charter school ~~organizers~~ shall agree to
1235 reasonable maintenance provisions in order to maintain the
1236 facility in a manner similar to district school board standards.
1237 The Public Education Capital Outlay maintenance funds or any
1238 other maintenance funds generated by the facility operated as a
1239 conversion school shall remain with the conversion school.

1240 (f) To the extent that charter school facilities are
1241 specifically created to mitigate the educational impact created
1242 by the development of new residential dwelling units, pursuant to
1243 subparagraph (2)(c)4., some of or all of the educational impact
1244 fees required to be paid in connection with the new residential
1245 dwelling units may be designated instead for the construction of
1246 the charter school facilities that will mitigate the student
1247 station impact. Such facilities shall be built to the State

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1248 Requirements for Educational Facilities and shall be owned by a
1249 public or nonprofit entity. The local school district retains the
1250 right to monitor and inspect such facilities to ensure compliance
1251 with the State Requirements for Educational Facilities. If a
1252 facility ceases to be used for public educational purposes,
1253 either the facility shall revert to the school district subject
1254 to any debt owed on the facility, or the owner of the facility
1255 shall have the option to refund all educational impact fees
1256 utilized for the facility to the school district. The district
1257 and the owner of the facility may contractually agree to another
1258 arrangement for the facilities if the facilities cease to be used
1259 for educational purposes. The owner of property planned or
1260 approved for new residential dwelling units and the entity
1261 levying educational impact fees shall enter into an agreement
1262 that designates the educational impact fees that will be
1263 allocated for the charter school student stations and that
1264 ensures the timely construction of the charter school student
1265 stations concurrent with the expected occupancy of the
1266 residential units. The application for use of educational impact
1267 fees shall include an approved charter school application. To
1268 assist the school district in forecasting student station needs,
1269 the entity levying the impact fees shall notify the affected
1270 district of any agreements it has approved for the purpose of
1271 mitigating student station impact from the new residential
1272 dwelling units.

1273 (19) CAPITAL OUTLAY FUNDING.--Charter schools are eligible
1274 for capital outlay funds pursuant to s. 1013.62.

1275 (20) SERVICES.--

1276 (a) A sponsor shall provide certain administrative and

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educational services to charter schools. These services shall include contract management services; full-time equivalent and data reporting services; exceptional student education administration and evaluation services; services related to eligibility and reporting duties required to ensure that school lunch services under the federal lunch program, consistent with the needs of the charter school, are provided by the school district at the request of the charter school; test administration services, including payment of the costs of state-required or district-required student assessments; processing of teacher certificate data services; and information services, including equal access to student information systems that are used by public schools in the district in which the charter school is located. A total administrative fee for the provision of such services shall be calculated based upon up to 5 percent of the available funds defined in paragraph (17)(b) for all students. However, a sponsor may only withhold up to a 5-percent administrative fee for enrollment for up to and including 500 students. For charter schools with a population of 501 or more students, the difference between the total administrative fee calculation and the amount of the administrative fee withheld may only be used for capital outlay purposes specified in s. 1013.62 (4) ~~(2)~~. Sponsors shall not charge charter schools any additional fees or surcharges for administrative and educational services in addition to the maximum 5-percent administrative fee withheld pursuant to this paragraph.

(b) If goods and services are made available to the charter school through the contract with the school district, they shall be provided to the charter school at a rate no greater than the

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1306 district's actual cost unless mutually agreed upon by the charter
1307 school and the sponsor in a contract negotiated separately from
1308 the charter. When mediation has failed to resolve disputes over
1309 contracted services or contractual matters not included in the
1310 charter, an appeal may be made for a dispute resolution hearing
1311 before the Charter School Appeal Commission. To maximize the use
1312 of state funds, school districts shall allow charter schools to
1313 participate in the sponsor's bulk purchasing program if
1314 applicable.

1315 (c) Transportation of charter school students shall be
1316 provided by the charter school consistent with the requirements
1317 of subpart I.E. of chapter 1006 and s. 1012.45. The governing
1318 body of the charter school may provide transportation through an
1319 agreement or contract with the district school board, a private
1320 provider, or parents. The charter school and the sponsor shall
1321 cooperate in making arrangements that ensure that transportation
1322 is not a barrier to equal access for all students residing within
1323 a reasonable distance of the charter school as determined in its
1324 charter.

1325 (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.--The Department
1326 of Education shall provide information to the public, directly
1327 and through sponsors, both on how to form and operate a charter
1328 school and on how to enroll in charter schools once they are
1329 created. This information shall include a standard application
1330 format, charter format, and charter renewal format which shall
1331 include the information specified in subsection (7). These
1332 formats shall ~~This application format may~~ be used as guidelines
1333 by charter school sponsors ~~chartering entities~~.

1334 (22) CHARTER SCHOOL REVIEW PANEL AND LEGISLATIVE REVIEW.--

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1335 (a) The Department of Education shall staff and regularly
1336 convene a Charter School Review Panel in order to review issues,
1337 practices, and policies regarding charter schools. The
1338 composition of the review panel shall include individuals with
1339 experience in finance, administration, law, education, and school
1340 governance, and individuals familiar with charter school
1341 construction and operation. The panel shall include two
1342 appointees each from the Commissioner of Education, the President
1343 of the Senate, and the Speaker of the House of Representatives.
1344 The Governor shall appoint three members of the panel and shall
1345 designate the chair. Each member of the panel shall serve a 1-
1346 year term, unless renewed by the office making the appointment.
1347 The panel shall make recommendations to the Legislature, to the
1348 Department of Education, to charter schools, and to school
1349 districts for improving charter school operations and oversight
1350 and for ensuring best business practices at and fair business
1351 relationships with charter schools.

1352 (b) The Legislature shall review the operation of charter
1353 schools during the 2010 ~~2005~~ Regular Session of the Legislature.

1354 (23) ANALYSIS OF CHARTER SCHOOL PERFORMANCE.--Upon receipt
1355 of the annual report required by paragraph (9) (m) ~~(l)~~, the
1356 Department of Education shall provide to the State Board of
1357 Education, the Commissioner of Education, the Governor, the
1358 President of the Senate, and the Speaker of the House of
1359 Representatives an analysis and comparison of the overall
1360 performance of charter school students, to include all students
1361 whose scores are counted as part of the statewide assessment
1362 program, versus comparable public school students in the district
1363 as determined by the statewide assessment program currently

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administered in the school district, and other assessments administered pursuant to s. 1008.22(3).

(24) RULEMAKING.--The Department of Education, after consultation with school districts and charter school directors, shall recommend that the State Board of Education adopt rules to implement specific subsections of this section. Such rules shall require minimum paperwork and shall not limit charter school flexibility authorized by statute.

Section 2. Subsection (5) of section 218.39, Florida Statutes, is amended to read:

218.39 Annual financial audit reports.--

(5) At the conclusion of the audit, the auditor shall discuss with the chair of each local governmental entity or the chair's designee, or with the elected official of each county agency or with the elected official's designee, or with the chair of the district school board or the chair's designee, or with the chair of the board of the charter school or the chair's designee, or with the chair of the charter technical career center or the chair's designee, as appropriate, all of the auditor's comments that will be included in the audit report. If the officer is not available to discuss the auditor's comments, their discussion is presumed when the comments are delivered in writing to his or her office. The auditor shall notify each member of the governing body of a local governmental entity, ~~or~~ district school board, or charter school for which deteriorating financial conditions exist that may cause a condition described in s. 218.503(1) to occur if actions are not taken to address such conditions.

Section 3. Section 218.50, Florida Statutes, is amended to read:

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1393 218.50 Short title.--Sections 218.50-218.504 may be cited
1394 as the "Local Governmental Entity, Charter School, and District
1395 School Board Financial Emergencies Act."

1396 Section 4. Section 218.501, Florida Statutes, is amended to
1397 read:

1398 218.501 Purposes.--The purposes of ss. 218.50-218.504 are:

1399 (1) To promote the fiscal responsibility of local
1400 governmental entities, charter schools, and district school
1401 boards.

1402 (2) To assist local governmental entities, charter schools,
1403 and district school boards in providing essential services
1404 without interruption and in meeting their financial obligations.

1405 (3) To assist local governmental entities, charter schools,
1406 and district school boards through the improvement of local
1407 financial management procedures.

1408 Section 5. Section 218.503, Florida Statutes, is amended to
1409 read:

1410 218.503 Determination of financial emergency.--

1411 (1) Local governmental entities, charter schools, and
1412 district school boards shall be subject to review and oversight
1413 by the Governor, charter school sponsor, or the Commissioner of
1414 Education, as appropriate, when any one of the following
1415 conditions occurs:

1416 (a) Failure within the same fiscal year in which due to pay
1417 short-term loans or failure to make bond debt service or other
1418 long-term debt payments when due, as a result of a lack of funds.

1419 (b) Failure to pay uncontested claims from creditors within
1420 90 days after the claim is presented, as a result of a lack of
1421 funds.

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(c) Failure to transfer at the appropriate time, due to lack of funds:

1. Taxes withheld on the income of employees; or
2. Employer and employee contributions for:
 - a. Federal social security; or
 - b. Any pension, retirement, or benefit plan of an employee.

(d) Failure for one pay period to pay, due to lack of funds:

1. Wages and salaries owed to employees; or
2. Retirement benefits owed to former employees.

(e) An unreserved or total fund balance or retained earnings deficit, or unrestricted or total net assets deficit, as reported on the balance sheet or statement of net assets on the general purpose or fund financial statements, for which sufficient resources of the local governmental entity, as reported on the balance sheet or statement of net assets on the general purpose or fund financial statements, are not available to cover the deficit. Resources available to cover reported deficits include net assets that are not otherwise restricted by federal, state, or local laws, bond covenants, contractual agreements, or other legal constraints. Fixed or capital assets, the disposal of which would impair the ability of a local governmental entity to carry out its functions, are not considered resources available to cover reported deficits.

(2) A local governmental entity shall notify the Governor and the Legislative Auditing Committee, a charter school shall notify the charter school sponsor and the Legislative Auditing Committee, and a district school board shall notify the Commissioner of Education and the Legislative Auditing Committee,

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1451 when one or more of the conditions specified in subsection (1)
1452 have occurred or will occur if action is not taken to assist the
1453 local governmental entity, charter school, or district school
1454 board. In addition, any state agency must, within 30 days after a
1455 determination that one or more of the conditions specified in
1456 subsection (1) have occurred or will occur if action is not taken
1457 to assist the local governmental entity, charter school, or
1458 district school board, notify the Governor, charter school
1459 sponsor, or the Commissioner of Education, as appropriate, and
1460 the Legislative Auditing Committee.

1461 (3) Upon notification that one or more of the conditions in
1462 subsection (1) exist, the Governor or his or her designee shall
1463 contact the local governmental entity or the Commissioner of
1464 Education or his or her designee shall contact the district
1465 school board to determine what actions have been taken by the
1466 local governmental entity or the district school board to resolve
1467 the condition. The Governor or the Commissioner of Education, as
1468 appropriate, shall determine whether the local governmental
1469 entity or the district school board needs state assistance to
1470 resolve the condition. If state assistance is needed, the local
1471 governmental entity or district school board is considered to be
1472 in a state of financial emergency. The Governor or the
1473 Commissioner of Education, as appropriate, has the authority to
1474 implement measures as set forth in ss. 218.50-218.504 to assist
1475 the local governmental entity or district school board in
1476 resolving the financial emergency. Such measures may include, but
1477 are not limited to:

1478 (a) Requiring approval of the local governmental entity's
1479 budget by the Governor or approval of the district school board's

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1480 budget by the Commissioner of Education.

1481 (b) Authorizing a state loan to a local governmental entity
1482 and providing for repayment of same.

1483 (c) Prohibiting a local governmental entity or district
1484 school board from issuing bonds, notes, certificates of
1485 indebtedness, or any other form of debt until such time as it is
1486 no longer subject to this section.

1487 (d) Making such inspections and reviews of records,
1488 information, reports, and assets of the local governmental entity
1489 or district school board. The appropriate local officials shall
1490 cooperate in such inspections and reviews.

1491 (e) Consulting with officials and auditors of the local
1492 governmental entity or the district school board and the
1493 appropriate state officials regarding any steps necessary to
1494 bring the books of account, accounting systems, financial
1495 procedures, and reports into compliance with state requirements.

1496 (f) Providing technical assistance to the local
1497 governmental entity or the district school board.

1498 (g)1. Establishing a financial emergency board to oversee
1499 the activities of the local governmental entity or the district
1500 school board. If a financial emergency board is established for a
1501 local governmental entity, the Governor shall appoint board
1502 members and select a chair. If a financial emergency board is
1503 established for a district school board, the State Board of
1504 Education shall appoint board members and select a chair. The
1505 financial emergency board shall adopt such rules as are necessary
1506 for conducting board business. The board may:

1507 a. Make such reviews of records, reports, and assets of the
1508 local governmental entity or the district school board as are

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needed.

b. Consult with officials and auditors of the local governmental entity or the district school board and the appropriate state officials regarding any steps necessary to bring the books of account, accounting systems, financial procedures, and reports of the local governmental entity or the district school board into compliance with state requirements.

c. Review the operations, management, efficiency, productivity, and financing of functions and operations of the local governmental entity or the district school board.

2. The recommendations and reports made by the financial emergency board must be submitted to the Governor for local governmental entities or to the Commissioner of Education and the State Board of Education for district school boards for appropriate action.

(h) Requiring and approving a plan, to be prepared by officials of the local governmental entity or the district school board in consultation with the appropriate state officials, prescribing actions that will cause the local governmental entity or district school board to no longer be subject to this section. The plan must include, but need not be limited to:

1. Provision for payment in full of obligations outlined in subsection (1), designated as priority items, that are currently due or will come due.

2. Establishment of priority budgeting or zero-based budgeting in order to eliminate items that are not affordable.

3. The prohibition of a level of operations which can be sustained only with nonrecurring revenues.

(4) Upon notification that one or more of the conditions in

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subsection (1) exist, the charter school sponsor or the sponsor's designee shall contact the charter school governing body to determine what actions have been taken by the charter school governing body to resolve the condition. The charter school sponsor has the authority to require and approve a financial recovery plan, to be prepared by the charter school governing body, prescribing actions that will cause the charter school to no longer be subject to this section. The Department of Education shall establish guidelines for developing such plans.

~~(5)~~~~(4)~~ A local governmental entity or district school board may not seek application of laws under the bankruptcy provisions of the United States Constitution except with the prior approval of the Governor for local governmental entities or the Commissioner of Education for district school boards.

~~(6)~~~~(5)~~(a) The governing authority of any municipality having a resident population of 300,000 or more on or after April 1, 1999, which has been declared in a state of financial emergency pursuant to this section may impose a discretionary per-vehicle surcharge of up to 20 percent on the gross revenues of the sale, lease, or rental of space at parking facilities within the municipality which are open for use to the general public.

(b) A municipal governing authority that imposes the surcharge authorized by this subsection may use the proceeds of such surcharge for the following purposes only:

1. No less than 60 percent and no more than 80 percent of the surcharge proceeds shall be used by the governing authority to reduce its ad valorem tax millage rate or to reduce or eliminate non-ad valorem assessments.

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2. A portion of the balance of the surcharge proceeds shall be used by the governing authority to increase its budget reserves; however, the governing authority shall not reduce the amount it allocates for budget reserves from other sources below the amount allocated for reserves in the fiscal year prior to the year in which the surcharge is initially imposed. When a 15-percent budget reserve is achieved, based on the average gross revenue for the most recent 3 prior fiscal years, the remaining proceeds from this subparagraph shall be used for the payment of annual debt service related to outstanding obligations backed or secured by a covenant to budget and appropriate from non-ad valorem revenues.

(c) This subsection expires June 30, 2006.

Section 6. Subsection (1) of section 218.504, Florida Statutes, is amended to read:

218.504 Cessation of state action.--The Governor or the Commissioner of Education, as appropriate, has the authority to terminate all state actions pursuant to ss. 218.50-218.504. Cessation of state action must not occur until the Governor or the Commissioner of Education, as appropriate, has determined that:

(1) The local governmental entity, charter school, or district school board:

(a) Has established and is operating an effective financial accounting and reporting system.

(b) Has resolved the conditions outlined in s. 218.503(1).

Section 7. Paragraph (e) of subsection (7) and subsection (8) of section 11.45, Florida Statutes, are amended to read:

11.45 Definitions; duties; authorities; reports; rules.--

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1596 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.--

1597 (e) The Auditor General shall notify the Governor or the
1598 Commissioner of Education, as appropriate, and the Legislative
1599 Auditing Committee of any audit report reviewed by the Auditor
1600 General pursuant to paragraph (b) which contains a statement that
1601 a local governmental entity, charter school, or district school
1602 board has met one or more of the conditions specified in s.
1603 218.503. If the Auditor General requests a clarification
1604 regarding information included in an audit report to determine
1605 whether a local governmental entity, charter school, or district
1606 school board has met one or more of the conditions specified in
1607 s. 218.503, the requested clarification must be provided within
1608 45 days after the date of the request. If the local governmental
1609 entity, charter school, or district school board does not comply
1610 with the Auditor General's request, the Auditor General shall
1611 notify the Legislative Auditing Committee. If, after obtaining
1612 the requested clarification, the Auditor General determines that
1613 the local governmental entity, charter school, or district school
1614 board has met one or more of the conditions specified in s.
1615 218.503, he or she shall notify the Governor or the Commissioner
1616 of Education, as appropriate, and the Legislative Auditing
1617 Committee.

1618 (8) RULES OF THE AUDITOR GENERAL.--The Auditor General, in
1619 consultation with the Board of Accountancy, shall adopt rules for
1620 the form and conduct of all financial audits performed by
1621 independent certified public accountants pursuant to ss. 215.981,
1622 218.39, 1001.453, 1004.28, and 1004.70. The rules for audits of
1623 local governmental entities, charter schools, and district school
1624 boards must include, but are not limited to, requirements for the

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reporting of information necessary to carry out the purposes of the Local Governmental Entity, Charter School, and District School Board Financial Emergencies Act as stated in s. 218.501.

Section 8. Subsection (1) and paragraph (a) of subsection (2) of section 166.271, Florida Statutes, are amended to read:

166.271 Surcharge on municipal facility parking fees.--

(1) The governing authority of any municipality with a resident population of 200,000 or more, more than 20 percent of the real property of which is exempt from ad valorem taxes, and which is located in a county with a population of more than 500,000 may impose and collect, subject to referendum approval by voters in the municipality, a discretionary per vehicle surcharge of up to 15 percent of the amount charged for the sale, lease, or rental of space at parking facilities within the municipality which are open for use to the general public and which are not airports, seaports, county administration buildings, or other projects as defined under ss. 125.011 and 125.015, provided that this surcharge shall not take effect while any surcharge imposed pursuant to s. 218.503 (6) ~~(5)~~ (a), is in effect.

(2) A municipal governing authority that imposes the surcharge authorized by this subsection may use the proceeds of such surcharge for the following purposes only:

(a) No less than 60 percent and no more than 80 percent of surcharge proceeds shall be used to reduce the municipality's ad valorem tax millage or to reduce or eliminate non-ad valorem assessments, unless the municipality has previously used the proceeds from the surcharge levied under s. 218.503 (6) ~~(5)~~ (b) to reduce the municipality's ad valorem tax millage or to reduce non-ad valorem assessments.

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1654 Section 9. Paragraph (a) of subsection (9) and paragraph
1655 (b) of subsection (11) of section 1002.32, Florida Statutes, are
1656 amended to read:

1657 1002.32 Developmental research (laboratory) schools.--

1658 (9) FUNDING.--Funding for a lab school, including a charter
1659 lab school, shall be provided as follows:

1660 (a) Each lab school shall be allocated its proportional
1661 share of operating funds from the Florida Education Finance
1662 Program as provided in s. 1011.62 based on the county in which
1663 the lab school is located and the General Appropriations Act. The
1664 nonvoted ad valorem millage that would otherwise be required for
1665 lab schools shall be allocated from state funds. The required
1666 local effort funds calculated pursuant to s. 1011.62 shall be
1667 allocated from state funds to the schools as a part of the
1668 allocation of operating funds pursuant to s. 1011.62. Each
1669 eligible lab school in operation as of September 1, 2002, shall
1670 also receive a proportional share of the sparsity supplement as
1671 calculated pursuant to s. 1011.62. In addition, each lab school
1672 shall receive its proportional share of all categorical funds,
1673 with the exception of s. 1011.68, and new categorical funds
1674 enacted after July 1, 1994, for the purpose of elementary or
1675 secondary academic program enhancement. However, if a lab school,
1676 in the fulfillment of its requirements to have a representative
1677 student population pursuant to subsection (4), elects to provide
1678 student transportation, the lab school shall be eligible for
1679 funding pursuant to s. 1011.68. The sum of funds available as
1680 provided in this paragraph shall be included annually in the
1681 Florida Education Finance Program and appropriate categorical
1682 programs funded in the General Appropriations Act.

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1683 (11) EXCEPTIONS TO LAW.--To encourage innovative practices
1684 and facilitate the mission of the lab schools, in addition to the
1685 exceptions to law specified in s. 1001.23(2), the following
1686 exceptions shall be permitted for lab schools:

1687 (b) With the exception of s. 1001.42(16), s. 1001.42 shall
1688 be held in abeyance, except that a lab school, in the fulfillment
1689 of its requirements to have a representative student population
1690 pursuant to subsection (4), may elect to provide transportation
1691 in accordance with s. 1001.42(8). Reference to district school
1692 boards in s. 1001.42(16) shall mean the president of the
1693 university or the president's designee.

1694 Section 10. Subsection (3) of section 1003.05, Florida
1695 Statutes, is amended to read:

1696 1003.05 Assistance to transitioning students from military
1697 families.--

1698 (3) Dependent children of active duty military personnel
1699 who otherwise meet the eligibility criteria for special academic
1700 programs offered through public schools shall be given first
1701 preference for admission to such programs even if the program is
1702 being offered through a public school other than the school to
1703 which the student would generally be assigned and the school at
1704 which the program is being offered has reached its maximum
1705 enrollment. If such a program is offered through a public school
1706 other than the school to which the student would generally be
1707 assigned, the parent or guardian of the student must assume
1708 responsibility for transporting the student to that school. For
1709 purposes of this subsection, special academic programs include
1710 ~~charter schools~~, magnet schools, advanced studies programs,
1711 advanced placement, dual enrollment, and International

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1712 Baccalaureate.

1713 Section 11. Effective July 1, 2007, subsection (2) of
1714 section 1012.74, Florida Statutes, is amended to read:

1715 1012.74 Florida educators professional liability insurance
1716 protection.--

1717 (2)(a) Educator professional liability coverage for all
1718 instructional personnel, including charter school instructional
1719 personnel, as defined by s. 1012.01(2), who are full-time
1720 personnel, as defined by the district school board policy, shall
1721 be provided by specific appropriations under the General
1722 Appropriations Act.

1723 (b) Educator professional liability coverage shall be
1724 extended at cost to all instructional personnel, including
1725 charter school instructional personnel, as defined by s.
1726 1012.01(2), who are part-time personnel, as defined by the
1727 district school board policy, and choose to participate in the
1728 state-provided program.

1729 (c) Educator professional liability coverage shall be
1730 extended at cost to all administrative personnel, including
1731 administrative personnel in charter schools, as defined by s.
1732 1012.01(3), who choose to participate in the state-provided
1733 program.

1734 Section 12. Section 1013.62, Florida Statutes, is amended
1735 to read:

1736 1013.62 Charter schools capital outlay funding.--

1737 (1) In each year in which funds are appropriated for
1738 charter school capital outlay purposes, the Commissioner of
1739 Education shall allocate the funds among eligible charter
1740 schools. To be eligible for a funding allocation, a charter

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1741 school must be one of the following:

1742 (a) The same school that received capital outlay funding in
1743 2002-2003.

1744 (b) A charter school that is an expanded feeder pattern of
1745 a charter school that received capital outlay funding in 2002-
1746 2003.

1747 (2) If an appropriation for charter school capital outlay
1748 funds is less than the 2002-2003 appropriation, the funds shall
1749 be prorated among schools eligible pursuant to subsection (1).

1750 (3) If an appropriation for charter school capital outlay
1751 funds is greater than the 2002-2003 appropriation, the funds
1752 shall be allocated to schools eligible pursuant to subsection (1)
1753 and to charter schools that:

1754 (a)1. Have been in operation for 3 or more years;

1755 2. Are ~~Be~~ an expanded feeder chain of a charter school
1756 within the same school district that is currently receiving
1757 charter school capital outlay funds; or

1758 3. Have been accredited by the Commission on Schools of the
1759 Southern Association of Colleges and Schools.

1760 (b) Have financial stability for future operation as a
1761 charter school.

1762 (c) Have received a school grade of "A" or "B," pursuant to
1763 s. 1008.34, during 3 of the past 4 school years ~~satisfactory~~
1764 ~~student achievement based on state accountability standards~~
1765 ~~applicable to the charter school.~~

1766 (d) Have received final approval from its sponsor pursuant
1767 to s. 1002.33 for operation during that fiscal year.

1768 (e) Serve students in facilities that are not provided by
1769 the charter school's sponsor.

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1770
1771 First priority for allocating the amount in excess of the 2002-
1772 2003 appropriation shall be to prorate the excess funds among
1773 charter schools with long-term debt or long-term lease to the
1774 extent that the initial allocation is insufficient to provide
1775 one-fifteenth of the cost-per-student station specified in s.
1776 1013.64(6)(b) and second priority shall be to other eligible
1777 charter schools. Prior to the release of capital outlay funds to
1778 a school district on behalf of the charter school, the Department
1779 of Education shall ensure that the district school board and the
1780 charter school governing board enter into a written agreement
1781 that includes provisions for the reversion of any unencumbered
1782 funds and all equipment and property purchased with public
1783 education funds to the ownership of the district school board, as
1784 provided for in subsection (5)~~(3)~~, in the event that the school
1785 terminates operations. Any funds recovered by the state shall be
1786 deposited in the General Revenue Fund. A charter school is not
1787 eligible for a funding allocation if it was created by the
1788 conversion of a public school and operates in facilities provided
1789 by the charter school's sponsor for a nominal fee or at no charge
1790 or if it is directly or indirectly operated by the school
1791 district. Unless otherwise provided in the General Appropriations
1792 Act, the funding allocation for each eligible charter school
1793 shall be determined by multiplying the school's projected student
1794 enrollment by one-fifteenth of the cost-per-student station
1795 specified in s. 1013.64(6)(b) for an elementary, middle, or high
1796 school, as appropriate. If the funds appropriated are not
1797 sufficient, the commissioner shall prorate the available funds
1798 among eligible charter schools. However, no charter school or

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1799 charter lab school shall receive state charter school capital
1800 outlay funds in excess of the one-fifteenth cost per student
1801 station formula if the charter school's combination of state
1802 charter school capital outlay funds, capital outlay funds
1803 calculated through the reduction in the administrative fee
1804 provided in s. 1002.33(20), and capital outlay funds allowed in
1805 s. 1002.32(9)(e) and (h) exceeds the one-fifteenth cost per
1806 student station formula. Funds shall be distributed on the basis
1807 of the capital outlay full-time equivalent membership by grade
1808 level, which shall be calculated by averaging the results of the
1809 second and third enrollment surveys. The Department of Education
1810 shall distribute capital outlay funds monthly, beginning in the
1811 first quarter of the fiscal year, based on one-twelfth of the
1812 amount the department reasonably expects the charter school to
1813 receive during that fiscal year. The commissioner shall adjust
1814 subsequent distributions as necessary to reflect each charter
1815 school's actual student enrollment as reflected in the second and
1816 third enrollment surveys. The commissioner shall establish the
1817 intervals and procedures for determining the projected and actual
1818 student enrollment of eligible charter schools.

1819 ~~(4)(2)~~ A charter school's governing body may use charter
1820 school capital outlay funds for the following purposes:

- 1821 (a) Purchase of real property.
- 1822 (b) Construction of school facilities.
- 1823 (c) Purchase, lease-purchase, or lease of permanent or
1824 relocatable school facilities.
- 1825 (d) Purchase of vehicles to transport students to and from
1826 the charter school.
- 1827 (e) Renovation, repair, furnishing, and maintenance of

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1828 school facilities that the charter school owns or is purchasing
1829 through a lease-purchase or long-term lease of 5 years or longer
1830 and purchasing equipment for such facilities.

1831
1832 Conversion charter schools may use capital outlay funds received
1833 through the reduction in the administrative fee provided in s.
1834 1002.33(20) for renovation, repair, and maintenance of school
1835 facilities that are owned by the sponsor.

1836 (5)~~(3)~~ When a charter school is nonrenewed or terminated,
1837 any unencumbered funds and all equipment and property purchased
1838 with district public funds shall revert to the ownership of the
1839 district school board, as provided for in s. 1002.33(8)(e) and
1840 (f). In the case of a charter lab school, any unencumbered funds
1841 and all equipment and property purchased with university public
1842 funds shall revert to the ownership of the state university that
1843 issued the charter. The reversion of such equipment, property,
1844 and furnishings shall focus on recoverable assets, but not on
1845 intangible or irrecoverable costs such as rental or leasing fees,
1846 normal maintenance, and limited renovations. The reversion of all
1847 property secured with public funds is subject to the complete
1848 satisfaction of all lawful liens or encumbrances. If there are
1849 additional local issues such as the shared use of facilities or
1850 partial ownership of facilities or property, these issues shall
1851 be agreed to in the charter contract prior to the expenditure of
1852 funds.

1853 (6)~~(4)~~ The Commissioner of Education shall specify
1854 procedures for submitting and approving requests for funding
1855 under this section and procedures for documenting expenditures.

1856 (7)~~(5)~~ The annual legislative budget request of the

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Department of Education shall include a request for capital outlay funding for charter schools. The request shall be based on the projected number of students to be served in charter schools who meet the eligibility requirements of this section. A dedicated funding source, if identified in writing by the Commissioner of Education and submitted along with the annual charter school legislative budget request, may be considered an additional source of funding.

(8)~~(6)~~ Unless authorized otherwise by the Legislature, allocation and proration of charter school capital outlay funds shall be made to eligible charter schools by the Commissioner of Education in an amount and in a manner authorized by subsections (2) and (3) ~~subsection (1)~~.

~~(7) Notwithstanding the provisions of this section, beginning in the 2003-2004 fiscal year:~~

~~(a) If the appropriation for charter school capital outlay funds is no greater than the 2002-2003 appropriation, the funds shall be allocated according to the formula outlined in subsection (1) to:~~

~~1. The same schools that received funding in 2002-2003.~~

~~2. Schools that are an expanded feeder pattern of schools that received funding in 2002-2003.~~

~~3. Schools that have an approved charter and are serving students at the start of the 2003-2004 school year and either incurred long term financial obligations prior to January 31, 2003, or began construction on educational facilities prior to December 31, 2002.~~

~~(b) If the appropriation for charter school capital outlay funds is less than the 2002-2003 appropriation, the funds shall~~

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~~be prorated among the schools eligible in paragraph (a).~~

~~(c) If the appropriation for charter school capital outlay funds is greater than the 2002-2003 appropriation, the amount of funds provided in the 2002-2003 appropriation shall be allocated according to paragraph (a). First priority for allocating the amount in excess of the 2002-2003 appropriation shall be to prorate the excess funds among the charter schools with long-term debt or long-term lease to the extent that the initial allocation is insufficient to provide one-fifteenth of the cost per student station specified in s. 1013.64(6)(b), and second priority shall be to other eligible charter schools.~~

Section 13. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2006.